

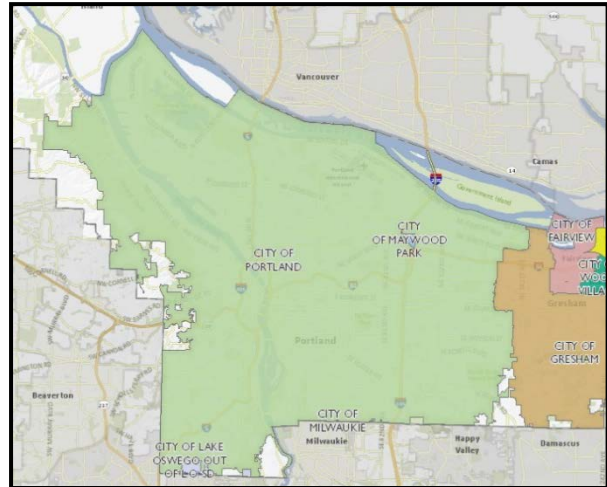
# Tax Supervising and Conservation Commission Budget Review 2020-21

## City of Portland

### 1. Introduction to the District

The City of Portland serves an area of 146.6 square miles with an estimated population of 613,355. The City's boundaries extend into Clackamas and Washington Counties.

The City is governed by a full-time, salaried Council comprised of the mayor and four commissioners. All are elected at large to four year terms on a non-partisan ballot. The administrative service of the City is divided into six operational areas and the Mayor assigns bureaus to Commissioners who then serve as Bureau Heads. The service areas are:



- Public Safety
- Parks, Recreation & Culture
- Public Utilities
- Transportation and Parking
- Legislative, Administration & Support Services
- Community Development

The City has two semi-autonomous commissions.

- Fire and Police Disability and Retirement Plan (FPD&R). This Commission provides disability, death, and retirement benefits to firefighters and sworn police officers. The plan is unique in the nation, in that it is supported by a dedicated property tax levy. The City is obligated to levy the tax, limited to \$2.80 per thousand of real market valuation. The rate For FY20 is \$2.7063 per \$1,000 of Assessed Value. The City covers fund shortfalls if levy revenue is inadequate.
- Prosper Portland (formerly called the Portland Development Commission). Prosper Portland (PP) is the City's urban renewal/redevelopment and economic development agency. It was established by voters under ORS Chapter 457 in 1958. The Commission consists of five members appointed by the Mayor, subject to approval of the Council.

| City of Portland                    | 2016-17       | 2017-18       | 2018-19       | 2019-20       |
|-------------------------------------|---------------|---------------|---------------|---------------|
| Assessed Value in Billions          | \$62.369      | \$65.687      | \$68.806      | \$71.127      |
| Real Market Value (M-5) in Billions | \$120.786     | \$137.483     | \$149.692     | \$152.774     |
| Property Tax Rate Extended:         |               |               |               |               |
| Operations                          | \$4.5770      | \$4.5770      | \$4.5770      | \$4.5770      |
| Fire Police Disability & Retirement | \$2.4859      | \$2.6554      | \$2.7063      | \$2.6674      |
| Children's Initiative Local Option  | \$0.4026      | \$0.4026      | \$0.4026      | \$0.4026      |
| Urban Renewal Special Levy          | \$0.2405      | \$0.2283      | \$0.2203      | \$0.2108      |
| Debt Service                        | \$0.2645      | \$0.2486      | \$0.2937      | \$0.2357      |
| Total Property Tax Rate             | \$7.9705      | \$8.1119      | \$8.1999      | \$8.0935      |
| Measure 5 Loss                      | -\$25,013,364 | -\$26,194,872 | -\$25,511,207 | -\$27,409,852 |
| Number of Employees (FTE's)         | 6,303         | 6,510         | 6,708         | 6,787         |

## 2. Strategic Plan/Performance Objectives

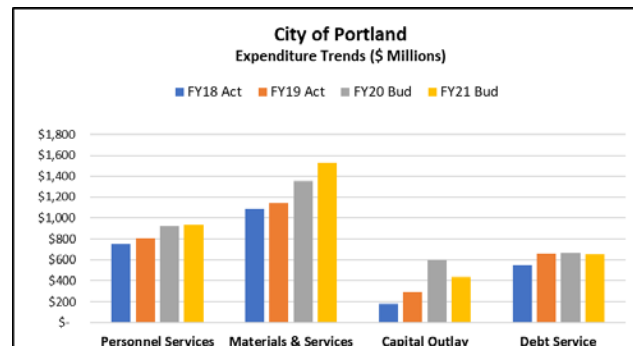
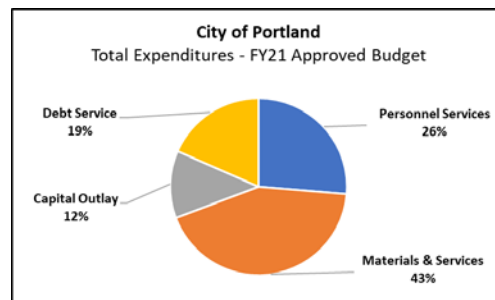
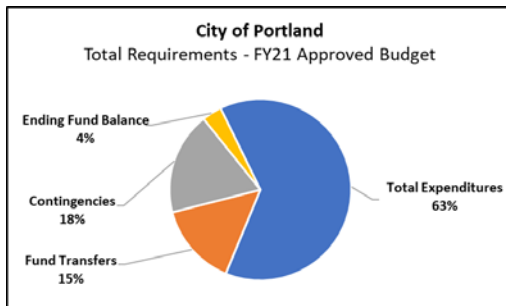
As expressed by the Mayor in his Budget Message, the objective of the FY21 budget is to address the increased service demand and corresponding budget deficit created by the COVID-19 Pandemic while preserving city services and protecting the City's equity and climate action work.

## 3. Budget in Total

### Requirements

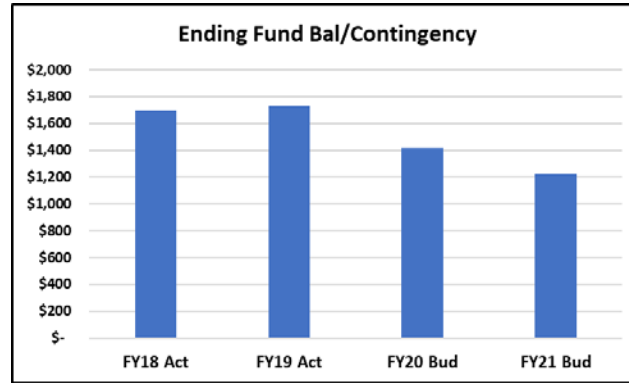
The City of Portland's FY21 budget is \$5.6 billion, 5% lower than the FY20 revised budget. The expenditure-only portion of the budget is \$3.6 billion, \$11 million (0.3%) higher than the FY20 revised budget. The Approved budget includes the city's initial response to the CORONA-19 Pandemic and the city anticipates further pandemic related changes in the Adopted Budget and, after July 1, in supplemental budgets.

| City of Portland<br>Total Requirements (\$ Millions) |                 |                 |                 |                 |                 |            |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|------------|
|  | FY18 Act        | FY19 Act        | FY20 Bud        | FY21 Bud        | Change          |            |
|  |                 |                 |                 |                 | \$              | %          |
| Personnel Services                                   | \$ 754          | \$ 807          | \$ 924          | \$ 936          | \$ 12           | 1%         |
| Materials & Services                                 | 1,093           | 1,148           | 1,355           | 1,528           | 173             | 13%        |
| Capital Outlay                                       | 178             | 295             | 600             | 438             | (161)           | -27%       |
| Debt Service   | 554             | 656             | 668             | 655             | (13)            | -2%        |
| <b>Total Expenditures</b>                            | <b>\$ 2,579</b> | <b>\$ 2,906</b> | <b>\$ 3,546</b> | <b>\$ 3,558</b> | <b>\$ 11</b>    | <b>0%</b>  |
| Fund Transfers                                       | 634             | 708             | 925             | 829             | (96)            | -10%       |
| Contingencies  | -               | -               | 1,165           | 1,024           | (140)           | -12%       |
| Ending Fund Balance                                  | 1,699           | 1,730           | 254             | 197             | (57)            | -23%       |
| <b>Total Requirements</b>                            | <b>\$ 4,912</b> | <b>\$ 5,344</b> | <b>\$ 5,890</b> | <b>\$ 5,607</b> | <b>\$ (282)</b> | <b>-5%</b> |
| Annual Changes:                                      |                 |                 |                 |                 |                 |            |
| Total Expenditures                                   | -1%             | 13%             | 22%             | 0%              |                 |            |
| Total Requirements                                   | -13%            | 9%              | 10%             | -5%             |                 |            |
| Full Time Equiv Postions                             | 6,510           | 6,708           | 6,787           | 6,793           |                 |            |



**Fund Balance:**

The City does not normally spend down its contingency, so the contingency budget is combined with ending fund balance budget to evaluate fund balances. That combination shows decreased fund balance over four years.



**Personnel Services:**

The total Personnel Services budget is \$936 million, a \$12 million (1%) increase over the estimated current year costs. The budget includes a net increase of 7 regular positions, layoffs of over 700 seasonal/on-call employees, and multiple cost cutting actions described below.

| City of Portland                        |              |              |                     |                      |                          |
|---|--------------|--------------|---------------------|----------------------|--------------------------|
| Full Time Equivalent Positions          |              |              |                     |                      |                          |
| Bureau Name                             | FY18 Actuals | FY19 Actuals | FY20 Revised Budget | FY21 Approved Budget | Change from FY20 to FY21 |
| Portland Parks & Recreation             | 695          | 626          | 597                 | 574                  | -23                      |
| Bureau of Environmental Services        | 573          | 594          | 612                 | 631                  | 18                       |
| Office of Management & Finance          | 664          | 669          | 707                 | 721                  | 14                       |
| Office of Community and Civic Life      | 58           | 61           | 63                  | 55                   | -8                       |
| Bureau of Planning & Sustainability     | 105          | 99           | 110                 | 105                  | -6                       |
| Portland Bureau of Transportation       | 911          | 996          | 1072                | 1078                 | 6                        |
| Portland Fire & Rescue                  | 725          | 730          | 725                 | 730                  | 5                        |
| Portland Police Bureau                  | 1232         | 1317         | 1306                | 1302                 | -4                       |
| Portland Water Bureau                   | 593          | 615          | 622                 | 626                  | 3                        |
| Office of the City Attorney             | 68           | 71           | 71                  | 73                   | 2                        |
| Office for Community Technology         | 0            | 10           | 10                  | 11                   | 1                        |
| Bureau of Emergency Communications      | 187          | 188          | 151                 | 152                  | 1                        |
| Portland Bureau of Emergency Management | 22           | 23           | 23                  | 23                   | 1                        |
| Special Appropriations                  | 3            | 8            | 9                   | 9                    | -1                       |
| City Budget Office                      | 15           | 16           | 18                  | 17                   | -1                       |
| Bureau of Development Services          | 435          | 462          | 454                 | 453                  | -1                       |
| Office of the Mayor                     | 20           | 19           | 20                  | 19                   | -1                       |
| Office of Equity & Human Rights         | 12           | 12           | 14                  | 14                   | 0                        |
| Portland Children's Levy                | 0            | 6            | 6                   | 6                    | 0                        |
| Office of the City Auditor              | 55           | 57           | 55                  | 55                   | 0                        |
| Bureau of Fire & Police Disability &    | 17           | 17           | 17                  | 17                   | 0                        |
| Office of Government Relations          | 10           | 10           | 10                  | 10                   | 0                        |
| Portland Housing Bureau                 | 70           | 71           | 82                  | 82                   | 0                        |
| Commissioner of Public Affairs          | 16           | 8            | 8                   | 8                    | 0                        |
| Commissioner of Public Safety           | 8            | 8            | 8                   | 8                    | 0                        |
| Commissioner of Public Utilities        | 8            | 8            | 8                   | 8                    | 0                        |
| Commissioner of Public Works            | 9            | 9            | 9                   | 9                    | 0                        |
| <b>Totals</b>                           | <b>6,510</b> | <b>6,708</b> | <b>6,787</b>        | <b>6,793</b>         | <b>7</b>                 |

The largest department FTE changes are as follows.

- Portland Parks and Recreation: As of April 1, 2020, PP&R laid off 752 seasonal and casual staff, froze all hiring associated with summer programming, and is not planning to hire seasonal employees in the Recreation Division this summer. The reduction of 23 FTE shown above is primarily an FTE adjustment for some positions that entered the position control system in error.
- Office of Community and Civic Life: A reduction of eight positions, five of which are information and referral specialist positions being transferred to the Office of Management and Finance.
- Bureau of Planning and Sustainability: Staffing is generally stable, with the net decrease of six FTE in limited duration positions.
- Bureau of Environmental Services: Net increase of 18 FTE. Twelve of these increases are general position increases (engineers, analysts, etc.) created to “increasing capital project throughput and environmental compliance.” The other six new positions will support the new Portland Clean Energy Community Benefits Fund (PCEF) program. The Mayor’s Proposed Budget allocates \$755,199 from tax revenues to in the fund to pay for them. Funding for the positions is from the 1% surcharge on retail sales of certain large retailers within Portland, as approved by voters in Measure 26-201 in November 2018.
- Office of Management and Finance: A net increase of 14 positions, five of which are transfers from the Office of Community and Civic Life. One of the key decisions in the budget is to continue the special funding of 8 FTE Revenue Division collection staff for the increasing number and complexity of City taxes.
- Bureau of Transportation: A total of six new positions, two support and are funded by the voter-renewed gas tax (May, 2020) and two support and are funded by street light conversion savings.
- Portland Fire and Life Rescue: A total of five new positions, spread throughout the budget. None of the new positions are associated with new programs.

Personal Services reductions instituted in May of 2020 are shown in the following chart.

| Action   |                                      | Impact        | FY21 Savings         |
|--|--------------------------------------|---------------|----------------------|
| Non-Represented employee furloughs                   | Four-day work week begun in May 2020 | One Time Only | \$2.4 Million        |
| Represented employee furloughs                       | Four-day work week begun in May 2020 | One Time Only | \$0.6 Million        |
| Non-Represented Employee Merit Increase cancellation | FY21                                 | On-Gong       | \$1.6 Million        |
| Represented Employee Step reduction                  | FY21                                 | On-Gong       | \$1.7 Million        |
| Multiple other changes                               | Similar actions                      | Combination   | \$1.0 Million        |
| <b>Total Impact (FY21)</b>                           |                                      |               | <b>\$7.3 Million</b> |

In addition, Cost of Living increases were suspended for FY21. That action is estimated to save the General Fund \$8 million. Details of the impact on other funds was not available.

**Materials and Services:**

The total Materials and Services budget is \$1.5 billion, an increase of \$173 million (13%). The City budgets two categories of Materials & Services: External and Internal. External M&S

accounts for expenditures to vendors for supplies, materials, professional services, and utilities. Internal M&S (also referred to as Service Reimbursements) accounts for services provided by one city function to another, for which the receiving office reimburses the providing office.

| City of Portland<br>Materials and Services Expenditures (\$ Millions) |                 |                 |                 |                 |               |            |
|---|-----------------|-----------------|-----------------|-----------------|---------------|------------|
|   | FY18 Act        | FY19 Act        | FY20 Bud        | FY21 Bud        | Change        |            |
|   |                 |                 |                 |                 | \$            | %          |
| External M&S  | \$ 862          | \$ 913          | \$ 1,099        | \$ 1,246        | \$ 147        | 13%        |
| Internal M&S  | 231             | 236             | 256             | 282             | 26            | 10%        |
| <b>Total M&amp;S</b>  | <b>\$ 1,093</b> | <b>\$ 1,149</b> | <b>\$ 1,355</b> | <b>\$ 1,528</b> | <b>\$ 173</b> | <b>13%</b> |

**Capital Outlay:**

The FY20 Capital Outlay budget is \$438 million, a decrease of \$171 million (27%). Capital *Projects* (combining Capital Outlay and capitalized Personnel Services and Materials and Services expenses) are \$666 million for FY21. Transportation and the Water and Environmental Utilities have the largest capital projects budgets and they are funded primarily by utility rates, system development charges, and dedicated taxes such as state and local gas tax. Management and Finance projects are those that benefit multiple departments, such as tax collection software, and are funded by multiple sources, including charges to the user departments. Parks projects are funded by system development charges and general obligation bond proceeds (for which debt service is paid for with dedicated voter-approved property taxes).

| City of Portland<br>FY21 Cap Project Budget By Function |                       |
|---|-----------------------|
| Function  | FY21 Bud              |
| Transportation  | \$ 199,642,132        |
| Water Utility   | 181,498,000           |
| Environmental Services                                  | 170,544,532           |
| Police, Fire, & Emer Comm                               | 8,257,565             |
| Management and Finance                                  | 53,221,267            |
| Parks   | 53,156,827            |
| <b>Total Capital Projects</b>                           | <b>\$ 666,320,323</b> |

The capital projects with the largest dollar amounts in the FY21 Budget and the 5-year forecast are as follows.

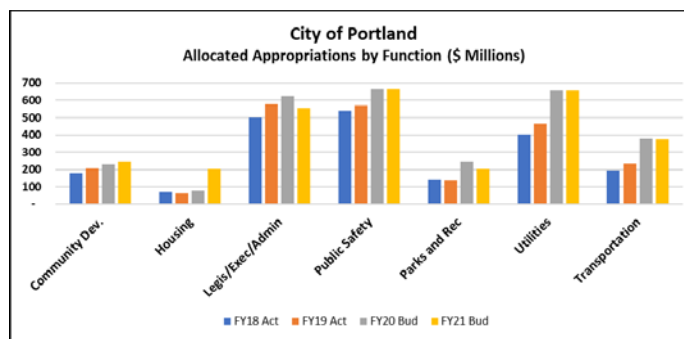
| City of Portland<br>Highest Value FY21 Budget Capital Projects<br>(\$ Millions) |               |               |
|---|---------------|---------------|
| Project   | FY20 Est      | FY21 Bud      |
| Bull Run Filtration   | \$ 13         | \$ 44         |
| CBWTP Secondary Trmt Exp Prog   | 13            | 41            |
| Willamette River Pipe Crossing  | 39            | 40            |
| Washington Park Reservoir 3   | 36            | 32            |
| Integrated Tax System   | 10            | 16            |
| Phase 3 Pipe Rehab  | 16            | 15            |
| North Rivergate Freight Project   | 8             | 11            |
| Distribution Mains  | 14            | 11            |
| Naito: Harrison - Jefferson, SW   | 6             | 10            |
| Streetcar Vehicle Acquisition   | 10            | 10            |
| Subtotal  | \$ 166        | \$ 230        |
| All Other Projects  | 386           | 437           |
| <b>Totals</b>   | <b>\$ 552</b> | <b>\$ 666</b> |

| City of Portland<br>Selected Projects-Five Year Cost Projections<br>(\$ Millions) |                 |
|---|-----------------|
| Project   | 5-Year Total    |
| CBWTP Secondary Trmt Expan Prog   | \$ 320          |
| Bull Run Filtration and Treatment Pipelines                                       | 399             |
| Distribution Mains  | 87              |
| Washington Park Reservoir 3   | 66              |
| Large Diameter I Sewer Rehab  | 61              |
| Pump Station Improvement Prgrm, FY15-19   | 58              |
| Willamette River Pipe Crossing  | 46              |
| Logistics Cntr Reloc  | 45              |
| Training Ctr Upgrade  | 33              |
| Integrated Tax System   | 27              |
| All Other Projects  | 1,400           |
| <b>Grand Total</b>  | <b>\$ 2,542</b> |

### Appropriations by Function:

The following charts show Appropriations by major functions.

|                  | FY18 Act     | FY19 Act     | FY20 Bud     | FY21 Bud     | Change    |           |
|------------------|--------------|--------------|--------------|--------------|-----------|-----------|
|                  |              |              |              |              | \$        | %         |
| Community Dev.   | 181          | 208          | 230          | 246          | 16        | 7%        |
| Housing          | 71           | 62           | 79           | 201          | 122       | 155%      |
| Legis/Exec/Admin | 498          | 577          | 626          | 553          | (73)      | -12%      |
| Public Safety    | 538          | 570          | 663          | 666          | 3         | 0%        |
| Parks and Rec    | 141          | 135          | 245          | 202          | (43)      | -18%      |
| Utilities        | 400          | 465          | 655          | 654          | (1)       | 0%        |
| Transportation   | 196          | 234          | 380          | 373          | (7)       | -2%       |
| <b>Total</b>     | <b>2,025</b> | <b>2,251</b> | <b>2,878</b> | <b>2,895</b> | <b>17</b> | <b>1%</b> |



### Budget Priorities

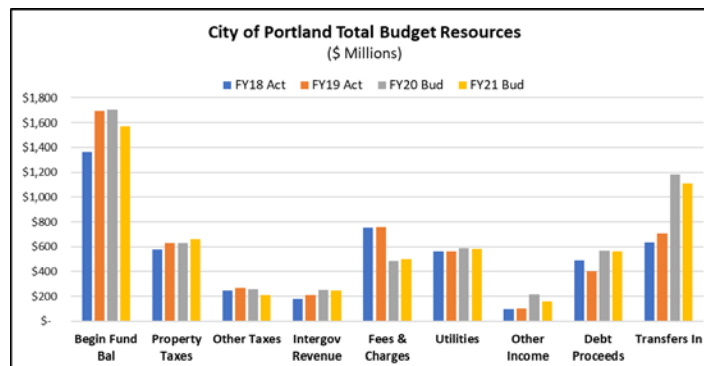
The City did not cut services in this budget. In fact, the Mayor identified the following maintain/add/increase priorities in his budget message regarding priorities.

- Preserves current funding levels for the Joint Office of Homeless Services and protects the Office from having to offer cuts in the Fall.
- Invests in organizations and programs to serve undocumented Portlanders.
- Supports work invested in responding to and preventing hate crimes.
- Protects VOZ, the Gateway Center for Domestic Violence, and the Office of Youth Violence Prevention from any cuts.
- Provides resources for important work to get more of Portland's construction dollars to women- and minority-owned businesses, and to train a diverse workforce.
- Funding for Portland's Age-Friendly Initiative.
- Supports ADA-compliant curb cuts to make our City sidewalks safe and accessible.
- Allocates new Cannabis Fund resources to support local small businesses, prioritizing minority-owned enterprises and better aligning allocations with the requirements of the initiative.
- Adds a position to work on the City's GreenFleet transition, ensuring continued progress on this top climate action.
- Funds our contribution to the regional partnership to build a cleaner and greener construction industry.
- Invests in more street lighting, an effective tool to make our streets safer.
- Funds new parks and new park amenities that are coming on-line this year across the community and especially in East Portland.
- Funds Portland Parks & Recreation's work to move toward a financially sustainable future.
- These investments are in addition to protecting and supporting our core city services: public safety, livability, utilities, roads, etc.

## Resources

Total FY21 budget resources are \$5.6 billion and they balance to total requirements. Beginning fund balance is budgeted to be lower than the prior year.

|                           | FY18 Act        | FY19 Act        | FY20 Bud        | FY21 Bud        | Change          |            |
|---------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------|
|                           |                 |                 |                 |                 | \$              | %          |
| Beginning Fund Balance    | \$ 1,367        | \$ 1,699        | \$ 1,705        | \$ 1,573        | \$ (131)        | -8%        |
| Property Taxes            | 578             | 631             | 630             | 661             | \$ 31           | 5%         |
| Other Taxes               | 250             | 272             | 260             | 209             | \$ (51)         | -20%       |
| Intergovernmental Revenue | 180             | 210             | 254             | 251             | \$ (3)          | -1%        |
| Fees and Charges          | 754             | 755             | 487             | 501             | \$ 14           | 3%         |
| Utilities                 | 561             | 562             | 588             | 581             | \$ (7)          | -1%        |
| Other Income              | 98              | 105             | 219             | 157             | \$ (62)         | -28%       |
| Debt Proceeds             | 490             | 402             | 567             | 562             | \$ (4)          | -1%        |
| Transfers In              | 634             | 708             | 1,180           | 1,110           | \$ (70)         | -6%        |
| <b>Total Resources</b>    | <b>\$ 4,912</b> | <b>\$ 5,344</b> | <b>\$ 5,890</b> | <b>\$ 5,607</b> | <b>\$ (282)</b> | <b>-5%</b> |



## Property Taxes

Property taxes are budgeted at \$661 million for all levies for FY20, including urban renewal taxes. This is an increase of \$31 million (6%) over the current year.

|                                    | FY18 Act      | FY19 Act      | FY20 Bud      | FY21 Bud      | Change       |           |
|------------------------------------|---------------|---------------|---------------|---------------|--------------|-----------|
|                                    |               |               |               |               | \$           | %         |
| Permanent Rate Property Taxes      | \$ 536        | \$ 572        | \$ 586        | \$ 605        | \$ 19        | 3%        |
| Local Option Levy Property Taxes   | 19            | 21            | 21            | 22            | \$ 1         | 6%        |
| GO Debt Property Taxes             | 14            | 17            | 14            | 27            | \$ 12        | 87%       |
| Prior Years Property Taxes         | 7             | 20            | 7             | 6             | \$ (1)       | -16%      |
| Payments in Lieu of Property Taxes | 1             | 1             | 1             | 1             | \$ (0)       | -23%      |
| <b>Total Resources</b>             | <b>\$ 578</b> | <b>\$ 631</b> | <b>\$ 630</b> | <b>\$ 661</b> | <b>\$ 31</b> | <b>5%</b> |

The property tax levy calculations used an assessed value increase of 3.6% and an uncollectible rate of 4.5%, reasonable figures based on TSCC staff projections of FY21 property tax changes.

## Utility Charges

The total utility revenue is \$581 million, a 1% decrease based primarily on anticipated slowing of rate payments from customers due to a recession. Water rates will increase 6.5% and sewer rates 2.85%.

### Federal CARES Act Revenue

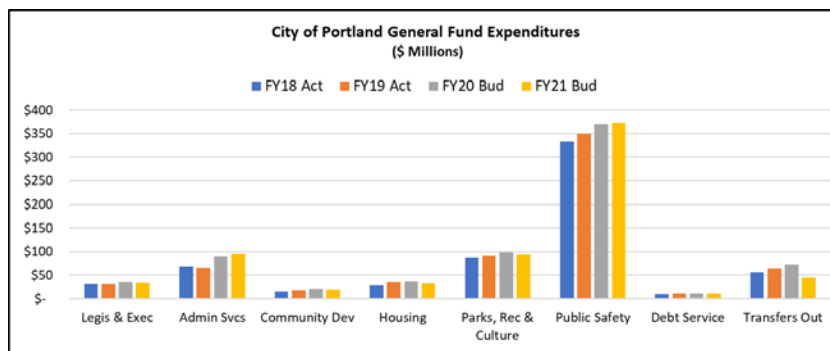
The City received \$114 Million in CARES Act funding, and it resides in the FY 2019-20 Grant Fund. Expenditures have not yet been budgeted. The city plans to determine the eligible expenses and then, in July or August, Council will proceed with a supplemental budget process only for the purpose of allocating the CARES resources. The city reports that the resource must be spent by December 31, 2020 or the funds returned.

## 4. Analysis of General Fund

### General Fund Requirements

The General Fund will have a FY21 budget of \$717 million, \$50 million (6%) lower than the current year budget.

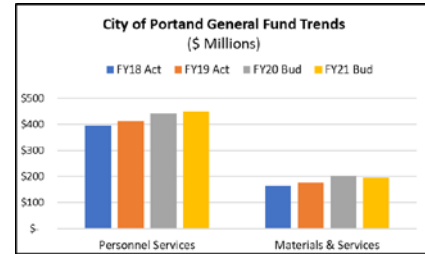
| City of Portland<br>General Fund Requirements (\$ Millions) |               |               |               |               |                |            |  |
|---|---------------|---------------|---------------|---------------|----------------|------------|--|
|   | FY18 Act      | FY19 Act      | FY20 Bud      | FY21 Bud      | Change         |            |  |
|   |               |               |               |               | \$             | %          |  |
| Legis & Exec  | \$ 31         | \$ 31         | \$ 35         | \$ 33         | \$ (2)         | -6%        |  |
| Admin Svcs  | 69            | 66            | 90            | 95            | 5              | 6%         |  |
| Community Dev   | 16            | 19            | 21            | 20            | (1)            | -5%        |  |
| Housing   | 29            | 36            | 37            | 33            | (4)            | -12%       |  |
| Parks, Rec & Culture  | 88            | 91            | 98            | 94            | (5)            | -5%        |  |
| Public Safety   | 333           | 350           | 371           | 374           | 3              | 1%         |  |
| Debt Service  | 10            | 11            | 11            | 12            | 1              | 4%         |  |
| Transfers Out   | 57            | 64            | 72            | 46            | (26)           | -37%       |  |
| <b>Total Expenditures</b>                                   | <b>\$ 631</b> | <b>\$ 668</b> | <b>\$ 736</b> | <b>\$ 706</b> | <b>\$ (30)</b> | <b>-4%</b> |  |
| Contingencies   | -             | -             | 31            | 11            | (20)           | -65%       |  |
| Ending Fund Balance   | 59            | 77            | -             | -             | -              | 0%         |  |
| <b>Total Requirements</b>                                   | <b>\$ 690</b> | <b>\$ 745</b> | <b>\$ 767</b> | <b>\$ 717</b> | <b>\$ (50)</b> | <b>-6%</b> |  |
| Annual Changes:   |               |               |               |               |                |            |  |
| Total Expenditures  |               | 6%            | 10%           | -4%           |                |            |  |
| Total Requirements  |               | 8%            | 3%            | -6%           |                |            |  |



As a result of the City's actions to reduce expenditures, Personnel Services and Materials and Services expenditures are leveling off in the FY21 budget.



| City of Portland<br>General Fund Object Code Expenditures (\$ Millions) |               |               |               |               |
|---|---------------|---------------|---------------|---------------|
|   | FY18 Act      | FY19 Act      | FY20 Bud      | FY21 Bud      |
| Personnel Services  | \$ 396        | \$ 412        | \$ 444        | \$ 449        |
| Materials & Services  | 164           | 176           | 203           | 196           |
| Capital Outlay  | 4             | 5             | 6             | 6             |
| Debt Service  | 10            | 11            | 11            | 12            |
| <b>Total</b>  | <b>\$ 574</b> | <b>\$ 604</b> | <b>\$ 664</b> | <b>\$ 663</b> |



### General Fund Resources

The General Fund Resources balance to General Fund Requirements. The fund is budgeted to lose \$43 million next year and fund balance is budgeted to fall to \$11 Million, much lower than historical actual levels.

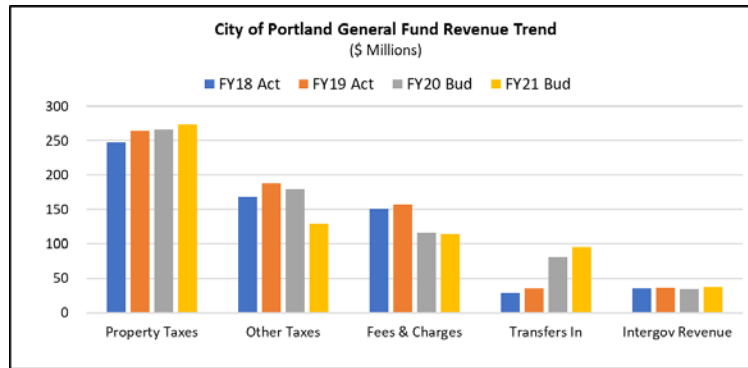
| City of Portland<br>General Fund Resources (\$ Millions) |               |               |               |               |            |   |
|--|---------------|---------------|---------------|---------------|------------|---|
|  | FY18 Act      | FY19 Act      | FY20 Bud      | FY21 Bud      | Change     |   |
|  | \$            | \$            | \$            | \$            | \$         | % |
| Begin Fund Bal   | 53            | 59            | 77            | 53            | -31%       |   |
| Property Taxes   | 247           | 264           | 267           | 274           | 3%         |   |
| Other Taxes  | 169           | 188           | 180           | 129           | -28%       |   |
| Intergov Revenue   | 36            | 36            | 34            | 37            | 8%         |   |
| Fees & Charges   | 150           | 158           | 117           | 115           | -1%        |   |
| Other Income   | 6             | 6             | 8             | 4             | -47%       |   |
| Debt Proceeds  | -             | -             | 3             | 9             | 172%       |   |
| Transfers In   | 30            | 35            | 81            | 95            | 18%        |   |
| <b>Total Resources</b>                                   | <b>\$ 690</b> | <b>\$ 745</b> | <b>\$ 767</b> | <b>\$ 717</b> | <b>-6%</b> |   |

### FY21 General Fund Budget Gap

The revenue reductions noted in the above chart generated a need to reduce expenditures in the FY21 General Fund budget. Specific Personnel Services reductions are discussed in the Total Budget section above. In addition, the Mayor eliminated the annual inflationary increases in Materials and Services budgets. That still left a significant gap between revenues and expenditures causing a \$43 million fund balance drawdown. The Mayor plans to address that gap in the annual Fall Budget Monitoring Process (the fall BMP).

| City of Portland<br>General Fund Gain/(Loss) (\$ Millions) |              |              |                |                |
|--|--------------|--------------|----------------|----------------|
|  | FY18 Act     | FY19 Act     | FY20 Bud       | FY21 Bud       |
| Total Revenues   | \$ 637       | \$ 686       | \$ 690         | \$ 664         |
| Total Expenditures   | 631          | 668          | 736            | 706            |
| <b>Annual Gain/(Loss)</b>                                  | <b>\$ 6</b>  | <b>\$ 18</b> | <b>\$ (46)</b> | <b>\$ (43)</b> |
| <b>Contingency/Ending Fund Balance</b>                     | <b>\$ 59</b> | <b>\$ 77</b> | <b>\$ 31</b>   | <b>\$ 11</b>   |

Revenue categories are stable year-to-year, with one exception, Other Taxes. This category is the most affected by the COVID-19 Pandemic. These business- and visitor-dependent taxes are budgeted to decrease significantly. The following charts illustrate this.



|                       | FY18 Act      | FY19 Act      | FY20 Bud      | FY21 Bud      |
|-----------------------|---------------|---------------|---------------|---------------|
| Business Income Tax   | \$ 134        | \$ 149        | \$ 144        | \$ 114        |
| Transient Lodging Tax | 35            | 39            | 36            | 15            |
| <b>Total</b>          | <b>\$ 169</b> | <b>\$ 188</b> | <b>\$ 180</b> | <b>\$ 129</b> |

## 5. Debt Status

The city provided the following list of debt service payments scheduled for FY21.

| <i>Type of Indebtedness</i>                      | <i>Principal</i>     | <i>Interest</i>      | <i>Total</i>         |
|--|----------------------|----------------------|----------------------|
| <b>FY 2020-21 PROJECTED DEBT SERVICE BY TYPE</b> |                      |                      |                      |
| Limited Tax Pension Bonds                        | 31,495,000           | 5,150,814            | 36,645,814           |
| Limited Tax Improvement Bonds                    | 3,662,000            | 1,265,645            | 4,927,645            |
| Voter Approved General Obligation Bonds          | 17,990,000           | 9,337,737            | 27,327,737           |
| Gas Tax Revenue Bonds                            | 4,925,000            | 147,750              | 5,072,750            |
| Revenue Bonds                                    | 139,425,000          | 92,432,900           | 231,857,900          |
| Limited Tax Revenue Bonds                        | 20,072,769           | 19,006,575           | 39,079,344           |
| Limited Tax Housing Revenue Bonds                | 955,000              | 693,750              | 1,648,750            |
| State Loans                                      | 1,781,058            | 90,976               | 1,872,034            |
| Tax Increment                                    | 221,826,627          | 15,512,450           | 237,339,077          |
| <b>TOTAL DEBT SERVICE BY TYPE</b>                | <b>\$442,132,454</b> | <b>\$143,638,597</b> | <b>\$585,771,051</b> |

## 6. Is Budget in Sync with Strategic Plan/Performance Objectives?

The priorities presented in the Mayor's budget message are reflected in the budget.

## 7. Budget Law Compliance

| Yes | No | Compliance Issue                            |
|-----|----|---|
| X   |    | Did district meet publication requirements? |

|   |  |   |
|---|--|---|
| X |  | Do resources equal requirements in every fund?                            |
| X |  | Does the G.O. Debt Service Fund show only principle and interest payments |
| X |  | Are contingencies shown only in operating funds?                          |
| X |  | Did budget committee approve the budget?                                  |
| X |  | Did budget committee set the levy?  |
| X |  | Does audit show the district was in compliance with budget law?           |

## **8. Highlights of 2020-21 Budget**

- The City of Portland's FY21 budget is \$5.6 billion, 5% lower than the FY20 revised budget.
- The expenditure-only portion of the budget is \$3.6 billion, \$11 million (0.3%) higher than the FY20 revised budget.
- The Approved budget includes the city's initial response to the CORONA-19 Pandemic and the city anticipates further pandemic related changes in the Adopted Budget and, after July 1, in supplemental budgets.
- The City received \$114 Million in CARES Act funding, and it resides in the FY 2019-20 Grant Fund. Expenditures are in the budget but have not yet been allocated.
- The General Fund will have a FY21 budget of \$717 million, \$50 million (6%) lower than the current year budget.
- The General Fund expenditures exceed revenues causing a \$43 million fund balance drawdown. The Mayor plans to address that gap in the annual Fall Budget Monitoring Process (the fall BMP).

## **9. Certification Letter Recommendations and Objections:**

The 2020-21 Budget is in substantial compliance with local budget law. Estimates were judged to be reasonable for the purpose shown.

The audit report for fiscal year 2018-19 does not note any expenditures in excess of budget.

# City of Portland

## Annual Report

|   | 2017-18<br>Actual    | 2018-19<br>Actual    | 2019-20<br>Rev. Budget | 2020-21<br>Apv. Budget | Budget<br>% Change |
|---|----------------------|----------------------|------------------------|------------------------|--------------------|
| <b>SUMMARY OF ALL FUNDS</b>             |                      |                      |                        |                        |                    |
| <b>Property Tax Breakdown:</b>          |                      |                      |                        |                        |                    |
| Permanent Rate Property Taxes           | 536,064,251          | 572,195,442          | 586,188,104            | 604,790,298            | 3%                 |
| Local Option Levy Property Taxes        | 19,274,471           | 20,770,866           | 21,243,638             | 22,456,693             | 6%                 |
| GO Debt Property Taxes                  | 13,976,141           | 17,287,955           | 14,295,727             | 26,757,738             | 87%                |
| Prior Years Property Taxes              | 7,152,401            | 20,117,331           | 7,282,621              | 6,140,668              | -16%               |
| Payments in Lieu of Property Taxes      | 1,420,541            | 856,213              | 1,296,789              | 997,295                | -23%               |
| <b>Total Property Taxes</b>             | <b>577,887,805</b>   | <b>631,227,808</b>   | <b>630,306,879</b>     | <b>661,142,692</b>     | <b>5%</b>          |
| <b>Resources:</b>                       |                      |                      |                        |                        |                    |
| Beginning Fund Balance                  | 1,367,489,664        | 1,698,726,622        | 1,704,596,609          | 1,573,487,625          | -8%                |
| Property Taxes                          | 577,887,805          | 631,227,808          | 630,306,879            | 661,142,692            | 5%                 |
| Other Taxes                             | 249,503,564          | 272,017,933          | 260,079,621            | 209,023,745            | -20%               |
| Intergovernmental Revenue               | 180,345,835          | 209,632,359          | 253,562,736            | 250,915,908            | -1%                |
| Fees and Charges                        | 753,905,398          | 755,464,807          | 486,989,320            | 501,316,712            | 3%                 |
| Utilities                               | 560,934,437          | 562,099,950          | 588,176,335            | 581,425,838            | -1%                |
| Other Income                            | 97,907,405           | 104,981,152          | 219,259,854            | 157,434,765            | -28%               |
| Debt Proceeds                           | 489,972,676          | 401,908,213          | 566,623,459            | 562,434,312            | -1%                |
| Transfers In                            | 634,327,073          | 707,921,027          | 1,180,314,130          | 1,110,310,489          | -6%                |
| <b>TOTAL RESOURCES</b>                  | <b>4,912,273,858</b> | <b>5,343,979,871</b> | <b>5,889,908,943</b>   | <b>5,607,492,086</b>   | <b>-5%</b>         |
| <b>Requirements by Function:</b>        |                      |                      |                        |                        |                    |
| Legislative and Executive               | 30,640,062           | 30,742,204           | 35,321,137             | 33,246,680             | -6%                |
| Administrative Services                 | 467,767,679          | 546,117,285          | 590,765,794            | 519,838,450            | -12%               |
| Housing                                 | 70,533,678           | 61,862,332           | 78,745,326             | 200,785,523            | 155%               |
| Community Development                   | 180,591,219          | 207,543,435          | 230,313,653            | 245,848,950            | 7%                 |
| Parks, Recreation and Culture           | 141,327,233          | 134,916,795          | 245,240,513            | 201,844,390            | -18%               |
| Public Safety                           | 538,422,436          | 570,479,629          | 662,936,414            | 665,724,011            | 0%                 |
| Public Utilities Sewer System           | 223,146,087          | 273,520,567          | 346,609,893            | 339,033,505            | -2%                |
| Public Utilities Solid waste            | 5,207,572            | 5,275,677            | 7,534,542              | 7,190,137              | -5%                |
| Public Utilities Hydro Power            | 11,199,807           | 2,791,684            | 2,837,279              | 2,780,520              | -2%                |
| Public Utilities Water System           | 158,812,145          | 180,776,754          | 291,721,215            | 293,480,059            | 1%                 |
| Environmental and Conservation Services | 1,938,604            | 2,974,040            | 6,563,365              | 11,957,563             | 82%                |
| Streets Transportation and Parking      | 195,750,311          | 233,767,525          | 379,552,339            | 373,002,725            | -2%                |
| Debt Service                            | 553,883,327          | 655,721,650          | 655,792,346            | 642,615,034            | -2%                |
| Pass Throughs                           | 0                    | 0                    | 12,458,500             | 20,210,070             | 62%                |
| Transfers Out                           | 634,327,072          | 707,921,027          | 924,653,890            | 828,521,029            | -10%               |
| Contingencies                           | 0                    | 0                    | 1,164,600,403          | 1,024,394,689          | -12%               |
| Ending Fund Balance                     | 1,698,726,621        | 1,729,569,268        | 254,262,334            | 197,018,751            | -23%               |
| <b>TOTAL REQUIREMENTS</b>               | <b>4,912,273,853</b> | <b>5,343,979,872</b> | <b>5,889,908,943</b>   | <b>5,607,492,086</b>   | <b>-5%</b>         |

# City of Portland

## Annual Report

|                                | 2017-18<br>Actual    | 2018-19<br>Actual    | 2019-20<br>Rev. Budget | 2020-21<br>Apv. Budget | Budget<br>% Change |
|--------------------------------|----------------------|----------------------|------------------------|------------------------|--------------------|
| <b>Requirements by Object:</b> |                      |                      |                        |                        |                    |
| Personnel Services             | 754,463,531          | 807,214,495          | 923,830,733            | 936,294,577            | 1%                 |
| Materials & Services           | 1,092,894,816        | 1,148,419,906        | 1,354,710,841          | 1,527,958,136          | 13%                |
| Capital Outlay                 | 177,978,489          | 295,133,524          | 599,599,896            | 438,478,042            | -27%               |
| Debt Service                   | 553,883,327          | 655,721,650          | 668,250,846            | 654,826,862            | -2%                |
| Fund Transfers                 | 634,327,072          | 707,921,027          | 924,653,890            | 828,521,029            | -10%               |
| Contingencies                  | 0                    | 0                    | 1,164,600,403          | 1,024,394,689          | -12%               |
| Ending Fund Balance            | 1,698,726,621        | 1,729,569,268        | 254,262,334            | 197,018,751            | -23%               |
| <b>TOTAL REQUIREMENTS</b>      | <b>4,912,273,856</b> | <b>5,343,979,870</b> | <b>5,889,908,943</b>   | <b>5,607,492,086</b>   | <b>-5%</b>         |

### SUMMARY OF BUDGET - BY FUND

|   |             |             |             |             |       |
|---|-------------|-------------|-------------|-------------|-------|
| General Fund                            | 689,909,348 | 745,224,924 | 766,870,105 | 717,173,368 | -6%   |
| Transportation Operating Fund           | 437,943,227 | 510,107,977 | 553,698,440 | 505,149,885 | -9%   |
| Assessment Collection Fund              | 80,793      | 82,569      | 84,136      | 84,850      | 1%    |
| Emergency Communication Fund            | 25,251,546  | 27,373,365  | 28,331,520  | 28,474,488  | 1%    |
| Development Services Fund               | 159,677,651 | 158,516,648 | 136,370,767 | 162,459,373 | 19%   |
| Property Management License Fund        | 5,539,883   | 6,502,085   | 8,158,913   | 7,671,000   | -6%   |
| Convention & Tourism Fund               | 18,556,121  | 21,425,115  | 23,469,117  | 24,500,000  | 4%    |
| General Reserve Fund                    | 60,757,082  | 69,192,032  | 88,381,967  | 73,142,818  | -17%  |
| Special Finance & Resource Fund         | 115,875,757 | 102,911,344 | 84,844,493  | 100,607,990 | 19%   |
| Transportation Reserve Fund             | 6,732,030   | 7,580,523   | 8,340,523   | 9,305,771   | 12%   |
| Housing Investment Fund                 | 17,762,780  | 11,790,663  | 5,703,022   | 13,841,279  | 143%  |
| Public Election Fund                    | 250,000     | 1,479,641   | 3,391,538   | 1,281,046   | -62%  |
| Parks Local Option Levy Fund            | 669,187     | 563,901     | 2,625       | 280         | -89%  |
| Children's Investment Fund              | 26,690,452  | 30,517,412  | 32,617,728  | 34,756,717  | 7%    |
| Grants Fund                             | 27,964,930  | 33,363,738  | 84,497,140  | 86,700,851  | 3%    |
| Community Development Block Grant Fun   | 11,424,937  | 12,409,508  | 9,839,754   | 15,398,064  | 56%   |
| HOME Grant Fund                         | 6,432,517   | 2,357,200   | 3,744,738   | 9,816,417   | 162%  |
| Portland Parks Memorial Fund            | 13,758,321  | 15,201,087  | 14,761,502  | 18,438,834  | 25%   |
| Tax Increment Financing Reimbursement   | 67,903,493  | 78,810,994  | 53,010,684  | 55,602,386  | 5%    |
| Police Special Revenue Fund             | 6,810,180   | 6,651,117   | 6,227,156   | 5,448,514   | -13%  |
| Arts Education & Access Fund            | 21,310,113  | 21,858,815  | 23,672,767  | 22,854,816  | -3%   |
| Community Solar Fund                    | 62,429      | 72,066      | 84,413      | 103,599     | 23%   |
| Inclusionary Housing Fund               | 11,665,799  | 19,898,288  | 16,981,047  | 18,233,246  | 7%    |
| Housing Property Fund                   | 7,075,816   | 11,943,391  | 6,591,205   | 7,531,516   | 14%   |
| Recreational Cannabis Tax Fund          | 4,826,617   | 8,831,084   | 8,381,067   | 6,868,949   | -18%  |
| Cannibis Licensing Fund                 | 0           | 2,287,507   | 1,294,454   | 1,543,824   | 19%   |
| Portland Clean Energy Community Benefit | 0           | 6,382,657   | 56,382,669  | 88,091,872  | 56%   |
| Housing Development Costs               | 0           | 746,705     | 3,385,675   | 109,947,833 | 3147% |
| General Obligations Reserve Fund        | 0           | 0           | 0           | 6,581,231   | 0%    |
| River District URA Debt Redemption Fund | 49,546,604  | 56,628,664  | 64,020,000  | 69,325,000  | 8%    |
| Bonded Debt Interest & Sinking Fund     | 24,725,147  | 32,260,172  | 15,643,727  | 27,627,738  | 77%   |
| Waterfront Renewal Bond Sinking Fund    | 18,285,165  | 18,255,608  | 16,642,428  | 15,040,585  | -10%  |
| Interstate Corridor Debt Service Fund   | 44,780,635  | 50,037,301  | 56,736,500  | 65,700,000  | 16%   |

# City of Portland

## Annual Report

|  | 2017-18     | 2018-19     | 2019-20     | 2020-21     | Budget   |
|--|-------------|-------------|-------------|-------------|----------|
|  | Actual      | Actual      | Rev. Budget | Apv. Budget | % Change |
| Pension Debt Redemption Fund                 | 7,496,837   | 6,521,318   | 6,608,664   | 6,842,870   | 4%       |
| South Park Blocks Redemption Fund            | 17,154,536  | 42,387,156  | 11,371,730  | 8,082,249   | -29%     |
| Airport Way Debt Service Fund                | 7,073,641   | 7,084,244   | 5,454,541   | 0           | -100%    |
| Gas Tax Bond Redemption Fund                 | 3,677,234   | 3,464,027   | 3,416,797   | 5,072,750   | 48%      |
| Lents Town Center URA Debt Redemption        | 21,900,212  | 25,249,157  | 28,594,844  | 32,732,592  | 14%      |
| Central Eastside Industrial District Debt Fu | 11,606,844  | 12,899,761  | 12,873,125  | 11,933,313  | -7%      |
| Bancroft Bond Fund                           | 20,878,694  | 24,776,985  | 24,650,000  | 21,400,000  | -13%     |
| Convention Center Area Debt Service Fun      | 24,657,332  | 31,101,416  | 35,742,285  | 46,987,100  | 31%      |
| North Macadam URA Debt Redemption Fu         | 27,313,712  | 26,312,083  | 24,374,812  | 26,038,000  | 7%       |
| Special Projects Debt Service Fund           | 7,520,506   | 7,850,846   | 8,295,857   | 8,614,040   | 4%       |
| Gateway URA Debt Redemption Fund             | 5,514,960   | 6,260,543   | 6,685,267   | 6,685,000   | 0%       |
| Governmental Bond Redemption Fund            | 2,332,433   | 2,898,224   | 6,502,219   | 2,463,419   | -62%     |
| 42nd Avenue NPI Debt Service Fund            | 95,428      | 98,777      | 102,517     | 100,500     | -2%      |
| Cully Blvd. NPI Debt Service Fund            | 95,408      | 99,262      | 102,727     | 50,500      | -51%     |
| Parkrose NPI Debt Service Fund               | 172,510     | 103,069     | 105,797     | 105,750     | 0%       |
| Rosewood NPI Debt Service Fund               | 105,819     | 106,410     | 102,811     | 100,500     | -2%      |
| Division-Midway NPI Debt Service Fund        | 108,300     | 108,886     | 106,241     | 105,750     | 0%       |
| 82nd Ave/Division NPI Debt Service Fund      | 126,081     | 98,972      | 102,945     | 100,500     | -2%      |
| BFRES Facilities GO Bond Construction F      | 880,577     | 645,123     | 1,289,436   | 1,693       | -100%    |
| Local Improvement District Fund              | 7,467,651   | 22,825,351  | 17,653,852  | 14,351,964  | -19%     |
| Parks Capital Improvement Project Fund       | 171,158,211 | 179,506,741 | 193,860,896 | 205,162,604 | 6%       |
| Public Safety GO Bond Fund                   | 4,976,982   | 1,283,199   | 35,499      | 0           | -100%    |
| Housing Capital Fund                         | 29,272,632  | 16,314,637  | 136,780     | 0           | -100%    |
| Fire and Rescue Capital Reserve Fund         | 0           | 0           | 8,663,689   | 8,744,389   | 1%       |
| Parks Endowment Fund                         | 187,387     | 191,203     | 192,585     | 199,343     | 4%       |
| Sewer System Operating Fund                  | 571,860,110 | 606,176,276 | 682,117,327 | 636,559,946 | -7%      |
| Hydroelectric Power Operating Fund           | 5,236,369   | 4,371,015   | 4,094,623   | 4,069,468   | -1%      |
| Water Fund                                   | 371,088,261 | 423,721,264 | 542,695,614 | 546,593,250 | 1%       |
| Golf Fund                                    | 9,650,027   | 10,283,739  | 10,302,594  | 10,774,013  | 5%       |
| Portland International Raceway Fund          | 2,446,918   | 4,571,810   | 3,086,243   | 3,005,607   | -3%      |
| Solid Waste Management Fund                  | 10,462,275  | 12,545,874  | 12,077,040  | 14,067,423  | 16%      |
| Parking Facilities Fund                      | 29,171,057  | 40,868,642  | 25,183,987  | 26,931,226  | 7%       |
| Spectator Venues & Visitor Activities Fund   | 19,397,449  | 22,623,871  | 23,704,825  | 23,537,433  | -1%      |
| Environmental Remediation Fund               | 11,610,165  | 15,740,360  | 18,680,185  | 18,853,302  | 1%       |
| Sewer System Debt Redemption Fund            | 232,354,362 | 243,743,051 | 252,000,000 | 203,338,196 | -19%     |
| Hydroelectric Power Bond Redemption Fu       | 15,117      | 111,457     | 0           | 0           | 0%       |
| Water Bond Sinking Fund                      | 87,262,721  | 87,338,223  | 139,950,666 | 98,226,256  | -30%     |
| Sewer System Construction Fund               | 297,892,822 | 245,530,533 | 373,261,212 | 216,850,000 | -42%     |
| Water Construction Fund                      | 173,769,092 | 140,199,345 | 213,404,839 | 221,910,188 | 4%       |
| Sewer System Rate Stabilization Fund         | 143,446,143 | 165,417,775 | 169,817,775 | 125,000,000 | -26%     |
| Hydroelectric Power Renewal and Replace      | 11,456,494  | 0           | 111,457     | 111,457     | 0%       |
| Health Insurance Operating Fund              | 121,477,795 | 130,040,889 | 134,989,094 | 136,726,156 | 1%       |
| Facilities Services Operating Fund           | 114,415,076 | 222,954,878 | 177,516,675 | 105,622,533 | -40%     |
| City Fleet Operating Fund                    | 54,374,483  | 58,468,348  | 73,838,526  | 67,315,855  | -9%      |
| Printing & Distribution Services Operating   | 8,697,939   | 9,106,256   | 10,234,623  | 9,356,098   | -9%      |
| Insurance & Claims Operating Fund            | 42,691,693  | 45,456,869  | 47,265,366  | 46,738,153  | -1%      |

# City of Portland

## Annual Report

|  | 2017-18<br>Actual    | 2018-19<br>Actual    | 2019-20<br>Rev. Budget | 2020-21<br>Apv. Budget | Budget<br>% Change |
|--|----------------------|----------------------|------------------------|------------------------|--------------------|
| Workers' Compensation Self Insurance Op    | 18,943,302           | 18,552,839           | 18,562,871             | 19,273,421             | 4%                 |
| Technology Services Fund                   | 86,531,929           | 95,406,853           | 108,804,176            | 98,186,702             | -10%               |
| PPA Health Insurance Fund                  | 27,854,976           | 28,981,830           | 30,846,417             | 29,040,006             | -6%                |
| Enterprise Business Solutions Services Fu  | 14,121,037           | 14,780,147           | 5,602,000              | 0                      | -100%              |
| Fire & Police Disability & Retirement Fund | 191,198,899          | 206,739,322          | 231,038,372            | 228,702,601            | -1%                |
| FPD&R Reserve Fund                         | 750,000              | 750,000              | 1,500,000              | 1,500,000              | 0%                 |
| FPD&R Supplemental Retirement Reserve      | 54,854               | 46,916               | 34,700                 | 23,830                 | -31%               |
| <b>GRAND TOTAL ALL FUNDS</b>               | <b>4,912,273,853</b> | <b>5,343,979,872</b> | <b>5,889,908,943</b>   | <b>5,607,492,086</b>   | <b>-5%</b>         |

### DETAIL OF GENERAL FUND

#### Resources:

|                             |                    |                    |                    |                    |            |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|------------|
| Beginning Fund Balance      | 52,608,768         | 58,772,311         | 77,249,974         | 53,415,049         | -31%       |
| Property Tax                | 246,836,679        | 264,301,283        | 266,678,419        | 274,084,114        | 3%         |
| Other Taxes                 | 169,093,217        | 187,739,448        | 179,708,580        | 129,008,580        | -28%       |
| Federal Revenue             | 150,216            | 19,078             | 156,562            | 102,142            | -35%       |
| State Revenue               | 24,737,257         | 24,737,257         | 22,622,982         | 25,137,478         | 11%        |
| Local Revenue               | 10,849,794         | 11,132,052         | 11,705,928         | 12,056,161         | 3%         |
| Fees and Charges            | 150,437,728        | 157,732,538        | 116,641,879        | 114,916,084        | -1%        |
| Utilities                   | 0                  | 1,788              | 0                  | 0                  | 0%         |
| Other Income                | 5,620,874          | 5,645,364          | 7,561,826          | 3,978,057          | -47%       |
| Debt Proceeds               | 0                  | 0                  | 3,333,500          | 9,053,215          | 172%       |
| Transfers In                | 29,574,815         | 35,143,806         | 81,210,455         | 95,422,488         | 18%        |
| <b>TOTAL FUND RESOURCES</b> | <b>689,909,348</b> | <b>745,224,925</b> | <b>766,870,105</b> | <b>717,173,368</b> | <b>-6%</b> |

#### Requirements:

|                                |                    |                    |                    |                    |            |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|------------|
| Legislative and Executive      | 30,640,062         | 30,742,204         | 35,321,137         | 33,246,680         | -6%        |
| Administrative Services        | 68,835,858         | 66,432,546         | 89,902,788         | 95,393,394         | 6%         |
| Community Development          | 15,672,774         | 19,103,444         | 21,022,006         | 20,038,295         | -5%        |
| Housing                        | 28,914,253         | 35,920,416         | 37,094,684         | 32,627,985         | -12%       |
| Parks, Recreation and Culture  | 87,631,349         | 90,944,029         | 98,361,585         | 93,825,467         | -5%        |
| Public Safety                  | 332,881,817        | 349,965,352        | 370,726,730        | 373,621,940        | 1%         |
| Debt Service                   | 9,856,183          | 10,718,769         | 11,378,702         | 11,883,205         | 4%         |
| Transfers Out                  | 56,704,740         | 64,148,189         | 72,094,883         | 45,635,985         | -37%       |
| Contingencies                  | 0                  | 0                  | 30,967,590         | 10,900,417         | -65%       |
| Ending Fund Balance            | 58,772,311         | 77,249,974         | 0                  | 0                  | 0%         |
| <b>TOTAL FUND REQUIREMENTS</b> | <b>689,909,348</b> | <b>745,224,924</b> | <b>766,870,105</b> | <b>717,173,368</b> | <b>-6%</b> |



# City of Portland

## Annual Report

|  | 2017-18<br>Actual | 2018-19<br>Actual | 2019-20<br>Rev. Budget | 2020-21<br>Apv. Budget | Budget<br>% Change |
|--|-------------------|-------------------|------------------------|------------------------|--------------------|
|--|-------------------|-------------------|------------------------|------------------------|--------------------|

### DETAIL OF GENERAL OBLIGATION DEBT SERVICE FUND

#### Resources:

|                             |                   |                   |                   |                   |            |
|-----------------------------|-------------------|-------------------|-------------------|-------------------|------------|
| Beginning Fund Balance      | 810,878           | 813,933           | 1,100,000         | 800,000           | -27%       |
| GO Debt Property Taxes      | 13,976,141        | 17,287,955        | 14,295,727        | 26,757,738        | 87%        |
| Prior Years Property Taxes  | 176,404           | 496,136           | 115,000           | 50,000            | -57%       |
| Earned Interest             | 105,877           | 196,890           | 100,000           | 20,000            | -80%       |
| Debt Proceeds               | 9,655,686         | 13,465,258        | 0                 | 0                 | 0%         |
| Interfund Transfers In      | 160               | 0                 | 33,000            | 0                 | -100%      |
| <b>TOTAL FUND RESOURCES</b> | <b>24,725,147</b> | <b>32,260,172</b> | <b>15,643,727</b> | <b>27,627,738</b> | <b>77%</b> |

#### Requirements:

|                                |                   |                   |                   |                   |            |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|------------|
| Debt Service                   | 23,911,214        | 30,516,233        | 15,265,727        | 27,327,738        | 79%        |
| Ending Fund Balance            | 813,933           | 1,743,939         | 378,000           | 300,000           | -21%       |
| <b>TOTAL FUND REQUIREMENTS</b> | <b>24,725,147</b> | <b>32,260,172</b> | <b>15,643,727</b> | <b>27,627,738</b> | <b>77%</b> |

### BALANCE SHEET AS OF JUNE 30 EACH YEAR

|                     | 2017-18              | 2018-19              |
|---------------------|----------------------|----------------------|
| <b>Assets:</b>      |                      |                      |
| Cash & Investments  | 1,562,002,130        | 1,654,797,566        |
| Receivables         | 410,292,055          | 377,265,288          |
| Inventory           | 13,797,827           | 14,576,979           |
| Fixed Assets        | 6,639,857,538        | 6,949,166,400        |
| Other               | 4,876,780            | 28,993,390           |
| Deferred Outflows   | 502,964,635          | 577,777,939          |
| <b>TOTAL ASSETS</b> | <b>9,133,790,965</b> | <b>9,602,577,562</b> |

#### Liabilities and Equity:

|                                     |                      |                      |
|-------------------------------------|----------------------|----------------------|
| Liabilities                         | 7,802,353,984        | 8,073,658,405        |
| Equity                              | 1,047,521,791        | 1,296,645,287        |
| Deferred Inflows                    | 283,915,190          | 232,273,870          |
| <b>TOTAL LIABILITIES AND EQUITY</b> | <b>9,133,790,965</b> | <b>9,602,577,562</b> |